

Clerk's stamp:



COURT FILE NUMBER

1601-11708

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

I hereby certify this to be a true copy of  
the original order

Dated this 5<sup>th</sup> day of Jan 2017

  
for Clerk of the Court

**IN THE MATTER OF THE COMPANIES' CREDIT  
ARRANGEMENT ACT, RSC 1985, C C-36, AS  
AMENDED**

**AND IN THE MATTER OF A PLAN OF  
ARRANGEMENT OF QUATTRO EXPLORATION  
PRODUCTION LTD.**

APPLICANT

QUATTRO EXPLORATION AND PRODUCTION LTD.

DOCUMENT

**ORDER (STAY EXTENSION, SEALING,  
AMENDING INTERIM FINANCING AND  
AMENDING ORDER)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY SUBMITTING THIS  
DOCUMENT

**BLAKE, CASSELS & GRAYDON LLP**

Barristers and Solicitors

3500 Bankers Hall East

855 – 2<sup>nd</sup> Street SW

Calgary, Alberta T2P 4J8

Attention: Ryan Zahara/James Reid

Telephone No.: 403-260-9628/403-260-9731

Fax No.: 403-260-9700

Client File No.: 87882/1

**DATE ON WHICH ORDER WAS PRONOUNCED:** January 5, 2017

**LOCATION OF HEARING:** Calgary Court Centre, Justice Chambers

**NAME OF JUDGE WHO MADE THIS ORDER:** The Honourable Justice K.M. Eidsvik

**UPON** the application (the "**Application**") of Quattro Exploration and Production  
Ltd. ("**Quattro**"); **AND UPON** having read the Application, the Amended Application, the

Affidavit of Leonard Van Betuw sworn December 23, 2016 (the "**December Van Betuw Affidavit**") filed; the Confidential Supplemental Affidavit of Leonard Van Betuw sworn January 2, 2017 (the "**Confidential Van Betuw Affidavit**"); the Affidavit of Leonard Van Betuw sworn January 5, 2017 (the "**January Van Betuw Affidavit**"); the Fifth Report of the Monitor, dated December 30, 2016 (the "**Fifth Report**"), filed; the Supplement to the Fifth Report of the Monitor, dated January 4, 2017 (the "**Supplemental Monitor's Report**"); the Affidavit of Derek Church sworn December 29, 2016, filed; the Confidential Affidavit of Derek Church sworn December 29, 2016 (the "**Confidential Church Affidavit**"); the Second Confidential Affidavit of Derek Church sworn January 4, 2017 (the "**Second Confidential Church Affidavit**"); the Affidavit of Service of Lindsay Farr sworn December 29, 2016, filed;

**AND UPON** hearing counsel for Quattro, counsel for Hardie & Kelly Inc. in its capacity as Court-appointed monitor of Quattro (the "**Monitor**"), counsel for the Business Development Bank of Canada ("**BDC**") and any other interested parties in attendance;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**Service**

1. Capitalized terms not otherwise defined herein have the meanings given to them in the Initial Order in these proceedings dated September 8, 2016 (the "**Initial Order**").
2. Service of this Application is hereby abridged, if necessary, and the Application is properly returnable today and any requirement for service of the Application upon any party not served is hereby dispensed with.

**Stay Extension**

3. The Stay Period, as defined in paragraph 16 of the Initial Order granted in these proceedings by this Honourable Court on September 8, 2016 and as extended by the Orders of this Honourable Court on October 7, 2016, November 23, 2016,

December 14, 2016 and January 3, 2017, is hereby extended until and including February 17, 2017.

**Sealing**

4. The Clerk of the Court shall file Confidential Exhibit "B" to the December Van Betuw Affidavit, Confidential Exhibit "B" to the January Van Betuw Affidavit, the Confidential Van Betuw Affidavit, Confidential Appendix "A" to the Supplemental Monitor's Report, the Confidential Church Affidavit and the Second Confidential Church Affidavit in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED BY QUATTRO EXPLORATION AND PRODUCTION LTD. AND OTHER INTERESTED PARTIES IN THESE PROCEEDINGS; and

THE CONFIDENTIAL MATERIALS ARE SEALED UNTIL FURTHER ORDER PURSUANT TO THE SEALING ORDER ISSUED BY THE HONOURABLE JUSTICE K.M. EIDSVIK ON JANUARY 5, 2017.

5. Leave is hereby granted to any person, entity or party affected by this Order to apply to this Court for a further Order vacating, substituting, modifying or varying the terms of this Order, with such application to be brought on notice to Quattro and any other affected party in accordance with the Alberta *Rules of Court*.

**The Amended and Restated Interim Financing Agreement**

6. Quattro and BDC are hereby authorized and directed to enter into an amended and restated interim financing agreement (the "**Amended and Restated Interim Financing Agreement**"), in accordance with the proposed terms (the "**Terms**") attached as Confidential Exhibit "B" to the January Van Betuw Affidavit.
7. Quattro, BDC and the Monitor are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Amended and Restated Interim Financing Agreement and to carry out the intentions of the Terms. In addition to the powers

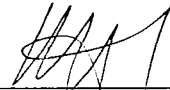
and duties of the Monitor set out in the Initial Order, the Monitor is hereby authorized, empowered and directed to carry out the intentions of the Terms.

8. The Monitor shall continue to have the benefit of all of the protections and priorities as set out in the Initial Order and any such protections and priorities shall apply to the Monitor in carrying out of the provisions of this Order, the obligations set out in the Terms or the the Amended and Restated Interim Financing Agreement.
9. The Interim Credit Facility as between BDC and Quattro is hereby re-instated and continued, on the same terms and conditions prior to its termination, except to the extent that such terms and conditions are amended pursuant to the Amended and Restated Interim Financing Agreement.
10. The Interim Lender's Charge, as defined and described in paragraph 37 of the Initial Order, to secure all obligations under the Definitive Documents and the Amended and Restated Interim Financing Agreement, is hereby increased to the amount of \$1,750,000.

**Amendment to the Claims Procedure Order**

11. Paragraph 25 of the Claims Procedure Order granted November 23, 2017 is hereby amended to read as follows:

If the Monitor intends to revise or disallow a Claim, the Monitor shall notify the Creditor who has delivered such Proof of Claim that such Claim has been revised or rejected and the reasons therefor, by sending a Notice of Revision or Disallowance by no later than January 23, 2017, or such later date as may be reasonably required by the Monitor.



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J.C.Q.B.A.